

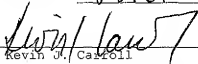
PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application : Paul H. Cossette
Serial No. : 09/161,787
Filed : Sept 28, 1998
For : A COMPUTERIZED SYSTEM AND METHOD FOR
ESTABLISHING A LOAN PARTICIPATION
NETWORK
Attorney's Docket : GENESIS-001XX
Examiner : Meinecke-Diaz
Group Art Unit : 2163
Appeal No. :

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, Washington, D.C. 20231 on 8-24-01

By


Kevin J. Carroll
Registration No. 36,384
Attorney for Applicant(s)

DECLARATION OF PAUL H. COSSETTE UNDER 37 CFR 1.132

Commissioner for Patents
Washington, D.C. 20231

Sir:

I, Paul H. Cossette, hereby declare that:

1. I invented the Computerized System and Method for Establishing a Loan Participation Network claimed in patent application Serial No. 09/161,787.
2. I have twenty-five years of experience in commercial lending, primarily to the marketplace addressed by the present invention. I have held positions at First National Bank of Boston; State Street Bank, Boston; Barclays Bank, London; Bank of the West, San Jose, CA; Security Pacific Bank, Los Angeles; First Interstate Bank, San Francisco; and closed out

- my career as Senior Vice President and Manager for the SE Massachusetts commercial loan group of Shawmut National Bank.
3. Small banks significantly outnumber large banks. According to a FDIC - Statistics on Depository Institutions Report, 7,992 commercial banks reported assets of less than \$1 billion as compared to 383 commercial banks reporting assets exceeding \$1 billion. Exhibit A.
 4. An even smaller group of about 50 global banks having average assets of close to \$100 billion have dominated loan syndications. This relatively small, select group of large banks has traditionally used loan syndications to finance large national and international corporations. According to recent statistics from Loan Pricing Corporation, a relatively small number of bank holding companies handle the majority of loan syndications, attached hereto as Exhibit B. The bank holding companies listed in this table in Exhibit B are also the major funding sources for the loans arranged by the other bank holding companies on the list. In comparison, according to The August 2000 Senior Loan Officer Opinion Survey on Bank Lending Practices, smaller domestic banks engage in relatively little syndicated lending, attached hereto as Exhibit C.
 5. These large banks active in the syndication business have syndication groups that deal together on a regular basis and thus are well known to each other. Also, at least about 95% of these syndications involve public companies about which there is a relatively large amount of publicly available information. These large banks organize their syndications largely by word of mouth and industry "rags" (i.e., lists of

loan opportunities) before finalizing and documenting the deal.

6. These large banks dominating loan syndications are the users of the IntraLoan™ service. According to the IntraLinks web site, the top ten global banks and all of the largest U.S. financial institutions use the IntraLoan™ service, attached as Exhibit D.
7. In contrast to the large banks, the small banks have a lack of knowledge of the thousands of other small banks. Also, at least about 95% of the loan opportunities presented to small banks are likely to involve private companies, about which there is relatively little publicly available information. Thus, the small banks have a lack of information on the large number of loan opportunities presented to the other small banks. For these reasons, the small banks typically have not looked for participants in a loan opportunity.
8. The claimed method and system of the present invention addresses the problems that prevent small banks from participating in loans with other small banks. The claimed method and system of the present invention enables the small banks to identify potential loan participants from among thousands of other small banks and facilitates the interaction and exchange of information between the small banks during the process of selecting participants.
9. All statements made herein of my own knowledge are true, and all statements made on information and belief are believed to be true, and that the foregoing statements were made with the knowledge that willful false statements and the like are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and that my

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willful false statements or the like may jeopardize the validity of the above-identified patent application or any patent issued thereon.

August 07, 2001

Date

Paul H. Cossette

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